

m0010027
Task ID# 6178
cc: Peter
RECEIVED
JUL 30 2014

Application for Site and/or Bond Release

DIV. OF OIL, GAS & MINING

Operator/Permittee: <u>Basin Perlite Company</u>	
Mine/Project Name: <u>Pearl Queen Perlite</u>	
File Number: <u>m010027</u>	
Check One: <input type="checkbox"/> Large Mine <input checked="" type="checkbox"/> Small Mine <input type="checkbox"/> Exploration	
Check one: <input type="checkbox"/> Partial Release of a <u>portion</u> of the mine site: Acres to be released: _____ Acres Remaining: _____ Specify Area: _____ <input type="checkbox"/> Full Release of a <u>portion</u> of the mine site: _____ Acres to be released: _____ Specify Area: _____ (A new map will need to be provided for the Notice or plan removing the released area from the disturbed or bonded area.) <input checked="" type="checkbox"/> Partial Release of entire mine site: _____ Total Acres to be released: <u>9.66</u> (Backfilling and grading are completed) <input type="checkbox"/> Full Release of entire mine site: _____ Total Acres to be released: _____ (Vegetation is established and has survived three growing seasons.)	
Amount of Existing Surety: <u>\$57,700</u>	
Amount of Surety requested for release: <u>\$34,620</u>	
Reason for Bond Release Request: <u>Earthwork portion of reclamation has been completed for the entire site. BLM representative has visited site and viewed completed work.</u>	
Complete this section if the money released from this application is to be used as surety for future disturbance. Release bond on: _____ Acres (specify area) _____ Apply Bond to: _____ Acres (specify area) _____	
Check Applicable Boxes	DESCRIPTION of RECLAMATION ACTIVITIES COMPLETED (Describe any variance(s) that have been granted, date activity completed)
<input type="checkbox"/> Wells Plugged / shafts sealed	
<input type="checkbox"/> Disposal of debris & other materials incident to mining	

✓	Drainages, reestablished & stable	Reshaped slopes and put drainages back, reestablished & stabilized drainages.
	Structures demolished / removed	
✓	Regrading Completed – Slopes, pits, highwalls in stable condition	Reshaped slopes. Covered area with topsoil and prepared area for seeding.
	Meets Postmining Land Use (Indicate Landuse)	
	Roads Reclaimed	
	Dams, Impoundments, Ditches, Pits reclaimed	
✓	Topsoil respread – amendments added	covered area with topsoil and prepared for seeding.
	Erosion Controlled	
	Vegetation meets 70% of premining cover and has survived three years for full bond release – or has survived one year growing season to maintain small mine status.	

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

BRIAN T. DOLAN

Print Name

Brian T. Dolan, Director

Sign Name, Position

07-29-14

Date

Return to:

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291 Fax: (801) 359-3940

FOR DOGM USE ONLY:

File #: M/ /

Approved:

Bond Adjustment: from (\$)
to \$

O:\FORMS\Bonding Forms\Bond-Release\site-bond-release-applic.doc



RESOURCE
CAPITAL FUNDS

RCF Management L.L.C.
1400 Sixteenth Street
Suite 200
Denver, CO 80202 U.S.A.

Telephone: 720-946-1444
Facsimile: 720-946-1450
Email: rcf@rcflp.com
www.resourcecapitalfunds.com

July 24, 2014

State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Via Fedex

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DIV. OF OIL, GAS & MINING

RE: Application for Bond Release - Basin Perlite Company, Operator
Mine Location: Pearl Queen, Beaver County, Utah
File No.: M/001/027

To Whom it May Concern:

I am staff counsel with RCF Management L.L.C. ("RCF"), the majority shareholder of Basin Perlite Company. Basin Perlite Company, Operator, of the Pearl Queen mine site, reference File No. M/001/027 is seeking a 60% partial release of our surety bond, Certificate of Deposit. Please accept this letter along with the enclosed Application for Site and/or Bond Release as Basin Perlite Company's formal request for said release pursuant to the Reclamation Contract dated March 16, 2004.

In accordance with 43 CFR 3809.591(b) "BLM may release up to 60 percent of your financial guarantee for a portion of your project area when BLM determines that you have successfully completed backfilling; ...". Mr. Edward Ginouves, Minerals Specialist with the BLM Cedar City Field Office, has visited the site and is satisfied with the earthwork reclamation.

If you have any questions or concerns, please don't hesitate to contact me. I can be reached at (303) 640-3686.

Kind Regards,

Andrea Antillon

Enclosures